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Herbal King spammer gets fined in New Zealand
Agape Acupuncture, Inc.

[Herbal King Spammer Forced to Pay Serious Fine](#)

For distributing unsolicited e-mail messages to computers in New Zealand

Lance Atkinson, one of the individuals involved in the major Herbal King spam operation, has been fined with \$NZ100,000 (US \$57,000), after pleading guilty. He still faces charges in the United States, where he is named as one of the defendants in a lawsuit brought forward by the Federal Trade Commission (FTC).

The Herbal King operation is considered by the Spamhaus project "the #1 worst spam gang on the Internet for much of 2007 and 2008," amounting, at a particular point in time, to one third of the entire spam activity in the world. In October, the Federal Trade Commission obtained a court order to freeze all the assets and accounts of several companies controlled by Lance Atkinson and Jody Smith.

At the same time, in a coordinated effort, court actions were started against Lance Atkinson in New Zealand and, on December 19, Justice French, judge with the High Court in Christchurch, ruled that he had to pay a fine of \$57,000 and \$4,400 in costs for distributing unsolicited electronic messages to computers in New Zealand between September and December 2007.

26-year old Atkinson risked a maximum fine of \$200,000, but the judge cut it in half, because he cooperated with the authorities and because the spamming started before the Unsolicited Electronic Messages Act of 2007, the law under which he was judged, went into effect. This cannot be said about his brother, Shane Atkinson, and Roland Smith, the two other New Zealanders charged with the same offenses in this case. According to a [statement](#) issued by the the New Zealand Department of Internet Affairs, the two contested the claims.

As indicated by the authorities, the Atkinson brothers and their accomplices distributed billions of spam e-mails with the help of a botnet. The e-mails marketed products from Herbal King, Elite Herbal, and Express Herbal, which were manufactured by a company in India. The profits amounted to millions of dollars and the gang made use of complex money laundering techniques and foreign bank accounts.

"This is a first under the new law and is just reward for the effort put in by our investigators and overseas agencies, particularly the FTC. The negative effects of spam are significant and far reaching and it's pleasing to know there's at least one less spammer plaguing the Internet," Joe Stewart, manager of the Anti-Spam Compliance Unit within the New Zealand Department of Internal Affairs, commented.

"Of course, although Lance Atkinson may have finally learned his lesson and won't be sending any more spam, there may be plenty more people who can't resist the temptation of making a quick buck through cybercrime," [Graham Cluley](#), senior technology consultant at anti-virus vendor Sophos, noted. "We need to see many more arrests and successful convictions during 2009 of people engaged in criminal activity on the Internet," he concluded.